

Dated: May 24, 2006.

Joseph N. Ingolia,

Chief Administrative Law Judge.

[FR Doc. 06-5434 Filed 6-14-06; 8:45 am]

BILLING CODE 3510-33-M

DEPARTMENT OF COMMERCE

Bureau of Industry and Security

[Docket No. 05-BIS-19]

In the Matter of: Teepad Electronic General Trading, P.O. Box #13708, Murshed Bazar, Dubai, UAE, Respondent; Decision and Order

On November 22, 2005, the Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), issued a charging letter initiating this administrative enforcement proceeding against Teepad Electronic General Trading (“Teepad”). The charging letter alleged that Teepad committed five violations of the Export Administration Regulations (currently codified at 15 CFR parts 730–774 (2006)) (the “Regulations”),¹ issued the Export Administration Act of 1979, as amended (50 U.S.C. App. §§ 2401–2420 (2000)) (the “Act”).²

The charging letter alleged that Teepad conspired and acted in concert with others, known and unknown, to bring about an act that constitutes a violation of the Regulations, namely the export of telecommunications devices to Iran without the required licenses. BIS alleged that the goal of the conspiracy was to obtain telecommunications devices, including devices manufactured by a U.S. company, including an Adit 600 Chassis, FXO Channel Cards, and ABI FXO Ports (ECCN 5A991³), on behalf of an Iranian end-user and to export those telecommunications devices to Iran, by way of the United Arab Emirates (UAE). These items were subject to both the

¹ The charged violations occurred in 2001 and 2002. The Regulations governing the violations at issue are found in the 2001 and 2002 versions of the Code of Federal Regulations (15 CFR parts 730–774 (2001–2002)).

² From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which was extended by successive Presidential Notices, the last of which was August 3, 2000 (3 CFR, 2000 Comp, 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701–06 (2000)) (“IEEPA”). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 CFR, 2001 Comp. 783 (2002)), as extended by the Notice of August 2, 2005 (70 FR 45,273 (August 5, 2005)), has continued the Regulations in effect under IEEPA.

³ The term “ECCN” refers to Export Control Classification Number. See 15 CFR 772.1 (2006).

Regulations and the Iranian Transactions Regulations⁴ of the Treasury Department’s Office of Foreign Assets Control (OFAC).

The charging letter also alleged that, on or about December 17, 2001, on or about March 7, 2002, Teepad aided and/or abetted the doing of an act that was prohibited by the Regulations. Specifically, BIS alleged that Teepad forwarded telecommunications devices manufactured by a U.S. company that were subject to both the Regulations and the Iranian Transactions Regulations of OFAC through the UAE to Iran without authorization from OFAC as required by Section 746.7 of the Regulations.

Finally, the BIS charging letter alleged that in connection with the transactions occurring on or about December 17, 2001, and on or about March 7, 2002, Teepad transferred items exported from the United States with knowledge, or reason to know, that a violation of the Regulations would occur. Specifically, BIS alleged that Teepad transferred the telecommunications devices described above to Iran when Teepad knew or had reason to know that they had been exported from the United States without proper export authorization.

Section 766.3(b)(1) of the Regulations provides that notice of the issuance of a charging letter shall be served on a respondent by mailing a copy by registered or certified mail addressed to the respondent at the respondent’s last known address. In accordance with the Regulations, on November 22, 2005, BIS mailed the notice of issuance of a charging letter by registered mail to Teepad. BIS submitted evidence that establishes the charging letter was received by Teepad on or about December 7, 2005.

Section 766.6(a) of the Regulations provides, in pertinent part, that “[t]he respondent must answer the charging letter within 30 days after being served with notice of issuance of the charging letter” initiating the administrative enforcement proceeding. Furthermore, the charging letter informed Teepad that a failure to follow this requirement would result in default.

On December 24, 2005, Teepad sent a letter to BIS’s Director of the Office of Export Enforcement in which Teepad stated that it believed it was in compliance with international law. Teepad did not file this letter with the Administrative Law Judge (ALJ) Docketing Center in accordance with Section 766.6(a). I note that charging letter informed Teepad that, in accordance with the Regulations, the answer must be filed with the ALJ

Docketing Center, and the letter provided the address of the Docketing Center. On March 9, 2006, Counsel for BIS notified Teepad by letter and by facsimile to the facsimile number provided by Teepad that Teepad was required to file a formal answer to the charging letter with the ALJ. In the same letter, BIS notified Teepad that it must contact the Office of Chief Counsel for Industry and Security, by March 22, 2006, if Teepad wished to enter into settlement negotiations. Teepad did not file an answer with the ALJ and did not contact the Office of Chief Counsel to discuss settlement. In the Recommended Decision and Order, the ALJ found that Teepad did not answer the charging letter in the manner required by Sections 766.5(a) and 766.6 of the Regulations.

Pursuant to the default procedures set forth in Section 766.7 of the Regulations, BIS filed a Motion for Default Order on April 11, 2006. Under Section 766.7(a) of the Regulations, “[f]ailure of the respondent to file an answer within the time provided constitutes a waiver of the respondent’s right to appear,” and “on BIS’s motion and without further notice to the respondent, [the ALJ] shall find the facts to be as alleged in the charging letter.” Based upon the record before him, the ALJ held Teepad in default.

On May 22, 2006, the ALJ issued a Recommended Decision and Order in which he found the facts to be as alleged in the charging letter, and determined that those facts establish that Teepad committed one violation of Section 764.2(d), two violations of Section 764.2(b), and two violations of Section 764.2(e) of the Regulations. The ALJ recommended that Teepad be denied export privileges for a period of ten years.

On May 30, 2006, Teepad submitted an e-mail to the Office of Chief Counsel for Industry and Security that Counsel for BIS has supplied to me. In that e-mail, Teepad denies all wrongdoing. For reasons stated previously in this Decision, this e-mail does not constitute a properly filed or timely response to the charges against Teepad (*See*, Sections 766.5–6 of the Regulations).

The ALJ’s Recommended Decision and Order, together with the entire record in this case, has been referred to me for final action under Section 766.22 of the Regulations. I find that the record supports the ALJ’s findings of fact and conclusions of law with respect to each of the above-referenced charges brought against Teepad. I also find that the penalty recommended by the ALJ is appropriate, given the nature of the violations, the importance of preventing

⁴ 31 CFR part 560 (2006).

future unauthorized exports, and the lack of any mitigating factors. I note that Iran is a country against which the United States maintains an economic embargo because of its support for international terrorism. Although the imposition of monetary penalties is an appropriate option, I agree with the ALJ that in this case such a penalty may not be effective, given the difficulty of collecting payment against a party outside the United States.

Based on my review of the entire record, I affirm the findings of fact and conclusions of law in the ALJ's Recommended Decision and Order.

Accordingly, it is therefore ordered,

First, that, for a period of ten years from the date this Order is published in the **Federal Register**, Teepad Electronic General Trading, P.O. Box #13708, Murshed Bazar, Dubai, United Arab Emirates, and all of its successors and assigns, and, when acting for or on behalf of Teepad, its officers, representatives, agents, and employees ("Denied Person"), may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as "item") exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations, including, but not limited to:

A. Applying for, obtaining, or using any license, License Exception, or export control document;

B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations; or

C. Benefiting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations.

Second, that no person may, directly or indirectly, do any of the following:

A. Export or reexport to or on behalf of the Denied Person any item subject to the Regulations;

B. Take any action that facilitates the acquisition or attempted acquisition by the Denied Person of the ownership, possession, or control of any item subject to the Regulations that has been or will be exported from the United States, including financing or other support activities related to a

transaction whereby the Denied Person acquires or attempts to acquire such ownership, possession or control;

C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from the Denied Person of any item subject to the Regulations that has been exported from the United States;

D. Obtain from the Denied Person in the United States any item subject to the Regulations with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or

E. Engage in any transaction to service any item subject to the Regulations that has been or will be exported from the United States and that is owned, possessed or controlled by the Denied Person, or service any item, of whatever origin, that is owned, possessed or controlled by the Denied Person if such service involves the use of any item subject to the Regulations that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

Third, that, after notice and opportunity for comment as provided in Section 766.23 of the Regulations, any person, firm, corporation, or business organization related to the Denied Person by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be made subject to the provisions of this Order.

Fourth, that this Order does not prohibit any export, reexport, or other transaction subject to the Regulations where the only items involved that are subject to the Regulations are the foreign-produced direct product of U.S.-origin technology.

Fifth, that this Order shall be served on the Denied Person and on BIS, and shall be published in the **Federal Register**. In addition, the ALJ's Recommended Decision and Order, except for the section related to the Recommended Order, shall be published in the **Federal Register**.

This Order, which constitutes the final agency action in this matter, is effective upon publication in the **Federal Register**.

Dated: June 9, 2006.

David H. McCormick,

Under Secretary of Commerce for Industry and Security.

Department of Commerce—Bureau of Industry and Security

[Docket No.: OS-BIS-19]

In the Matter of: Teepad Electronic General Trading, P.O. Box #13708, Murshed Bazar, Dubai, UAE, Respondent; Recommended Decision and Order

On November 22, 2005, the Bureau of Industry and Security, U.S. Department of Commerce ("BIS"), issued a charging letter initiating this administrative enforcement proceeding against Teepad Electronic General Trading ("Teepad"). The Charging Letter alleged that Teepad committed five violations of the Export Administration Regulations (currently codified at 15 CFR parts 730–774 (2006)) (the "Regulations"),¹ issued under the Export Administration Act of 1979, as amended (50 U.S.C. App. §§ 2401–2420 (2000)) (the "Act").²

Specifically, the Charging Letter alleged that Teepad conspired and acted in concert with others, known and unknown, to bring about an act that constitutes a violation of the Regulations, namely the export of telecommunications devices to Iran without the required licenses. BIS alleged that the goal of the conspiracy was to obtain telecommunications devices, including devices manufactured by a U.S. company, including an Adit 600 Chassis, FXO Channel Cards, and ABI FXO Ports (ECCN 5A991³), items subject to both the Regulations and the Iranian Transactions Regulations⁴ of the Treasury Department's Office of Foreign Assets Control (OFAC), on behalf of an

¹ The charged violations occurred in 2001 and 2002. The Regulations governing the violations at issue are found in the 2001 and 2002 versions of the Code of Federal Regulations (15 CFR parts 730–774 (2001–2002)). The 2006 Regulations establish the procedures that apply to this matter.

² From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which was extended by successive Presidential Notices, the last of which was August 3, 2000 (3 CFR, 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701–06 (2000)) ("IEEPA"). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 CFR, 2001 Comp. 783 (2002)), as extended by the Notice of August 2, 2005 (70 FR 45,273 (August 5, 2005)), has continued the Regulations in effect under IEEPA.

³ The term "ECCN" refers to Export Classification Number. See 15 CFR 772.1 (2006).

⁴ 31 CFR part 560 (2006).

Iranian end-user and to export those telecommunications devices to Iran. (*Charge 1*).

The Charging Letter also alleged that, on or about December 17, 2001, and on or about March 7, 2002, Teepad aided and/or abetted the doing of an act that was prohibited by the Regulations. Specifically, BIS alleged that Teepad forwarded telecommunications devices manufactured by a U.S. company, including an Adit 600 Chassis, FXO Channel Cards, and ABI FXO Ports, items subject to both the Regulations (ECCN 5A991) and the Iranian Transactions Regulations of Treasury Department's OFAC, that had been exported from the United States, through the United Arab Emirates to Iran without authorization from OFAC as required by Section 746.7 of the Regulations. (*Charges 2 and 3*).

Finally, the BIS Charging Letter alleged that in connection with the transactions occurring on or about December 17, 2001, and on or about March 7, 2002, Teepad transferred items exported from the United States with knowledge that a violation of the Regulations would occur. Specifically, BIS alleged that Teepad transferred the telecommunications devices described above to Iran when Teepad knew or had reason to know that they had been exported from the United States, without authorization from OFAC. (*Charges 4 and 5*).

Section 766.3(b)(1) of the Regulations provides that notice of the issuance of a charging letter shall be served on a respondent by mailing a copy by registered or certified mail addressed to the respondent at the respondent's last known address. In accordance with the Regulations, on November 22, 2005, BIS mailed the notice of issuance of a charging letter by registered mail to Teepad at its last known address: Teepad Electronic General Trading, P.O. Box #13708, Murshed Bazar, Dubai, UAE. BIS submitted evidence that establishes the Charging Letter was received by Teepad on or about December 7, 2005.⁵ These actions constitute service under the Regulations.

Section 766.6(a) of the Regulations provides, in pertinent part, that "[t]he respondent must answer the charging letter within 30 days after being served with notice of issuance of the charging letter" initiating the administrative enforcement proceeding. Furthermore, BIS informed Teepad that a failure to follow this requirement would result in default. (*Charging Letter*, at 3).

⁵ Government Exhibit A of the January 5, 2006 Certificate Regarding Service.

On December 24, 2005, Teepad sent a letter to BIS's Director of the Office of Export Enforcement. Teepad did not file this letter with the ALJ Docketing Center in accordance with Section 766.6(a).⁶ In the letter, Teepad provided factual information and stated, *inter alia*, that Teepad believed it was in compliance with international law. (*Gov't Ex. 2*). On March 9, 2006, BIS notified Teepad via letter and facsimile⁷ that Teepad was required to file a formal answer to the Charging Letter with the ALJ. In that same letter, BIS notified Teepad that it must contact the Office of Chief Counsel for Industry and Security, by March 22, 2006, in the event that Teepad wished to discuss settlement of this matter. (*Gov't Ex. 3*). To date, Teepad has not filed an answer with the ALJ and has not contacted the Office of Chief Counsel to discuss settlement. Accordingly, Teepad has not answered the Charging Letter in the manner required by Sections 766.5(a) and 766.6 of the Regulations.

Pursuant to the default procedures set forth in Section 766.7 of the Regulations, the undersigned finds the facts to be as alleged in the Charging Letter, and hereby determines that those facts establish that Teepad committed one violation of Section 764.2(d), two violations of Section 764.2(b), and two violations of Section 764.2(e) of the Regulations.

Section 764.3 of the Regulations sets forth the sanctions BIS may seek for violations of the Regulations. The applicable sanctions are: (i) A monetary penalty, (ii) suspension from practice before the Bureau of Industry and Security, and (iii) a denial of export privileges under the Regulations. See CFR 764.3 (2001–2002). Because Teepad knowingly violated the Regulations by transferring items that were subject to the Regulations with knowledge that a violation of the Regulations would occur, BIS requests that the undersigned recommends to the Under Secretary of Commerce for Industry and Security⁸ that Teepad's export privileges be denied for ten years.

⁶ The Charging Letter provided the address of the ALJ Docketing Center and specified that the answer must be filed in accordance with 15 CFR 766.5(a) to the ALJ Docketing Center.

⁷ BIS's letter of March 9, 2006 was successfully sent to the facsimile number provided by Teepad. (*Gov't Ex. 4*).

⁸ Pursuant to Section 13(c)(1) of the Export Administration Act and Section 766.17(b)(2) of the Regulations, in export control enforcement cases, the Administrative Law Judge makes recommended findings of fact and conclusions of law that the Under Secretary must affirm, modify or vacate. The Under Secretary's action is the final decision for the U.S. Commerce Department.

BIS suggested these sanctions because Teepad's knowing violation in transferring controlled telecommunications devices to Iran without prior authorization evidences a serious disregard for U.S. export control laws. Furthermore, BIS noted that Iran is a country against which the United States maintains an economic embargo because of Iran's support of international terrorism. BIS believes that the imposition of a civil monetary penalty in this case may be ineffective, given the difficulty of collecting payment against a party outside of the United States. In light of these circumstances, BIS believes that the denial of Teepad's export privileges for ten years is an appropriate sanction.

On this basis, the undersigned concurs with BIS and recommends that the Under Secretary enter an Order denying Teepad's export privileges for a period of ten years. Such a denial order is consistent with penalties imposed in past cases under the Regulations involving shipment to Iran. See *In the Matter of Petrom GmbH International Trade*, 70 FR 32,743 (June 6, 2005) (affirming the recommendations of the Administrative Law Judge that a twenty year denial order and a civil monetary sanction of \$143,000 were appropriate where knowing violations involved a shipment of EAR99 items to Iran); *In the Matter of Arian Transportvermittlungs, GmbH*, 69 FR 28,120 (May 18, 2004) (affirming the recommendation of the Administrative Law Judge that a ten year denial order was appropriate where knowing violations involved a shipment of a controlled item to Iran); *In the Matter of Jabal Damavand General Trading Company*, 67 FR 32,009 (May 13, 2002) (affirming the recommendation of the Administrative Law Judge that a ten year denial order was appropriate where knowing violations involved a shipment of EAR99 items to Iran); *In the Matter of Abdulamire Mahdi*, 68 FR 57,406 (October 3, 2003) (affirming the recommendation of the Administrative Law Judge that a twenty year denial order was appropriate where knowing violations involved a shipment of EAR99 items to Iran as a part of a conspiracy to ship such items through Canada to Iran). A ten year denial of Teepad's export privileges is warranted because Teepad's violations, like those of the defendants in the above-cited case, were deliberate acts done in violation of U.S. export control laws.

The terms of the denial of export privileges against Teepad should be consistent with the standard language used by BIS in such orders. The language is:

[Redacted Section]

[Redacted Section]

[Redacted Section]

Accordingly, the undersigned refers this Recommended Decision and Order to the Under Secretary of Commerce for Industry and Security for review and final action for the agency, without further notice to the respondent, as provided in Section 766.7 of the Regulations.

Within 30 days after receipt of this Recommended Decision and Order, the Under Secretary shall issue a written order affirming, modifying, or vacating the Recommended Decision and Order. See 15 CFR 766.22(c).

Dated: May 22, 2006.

Joseph N. Ingolia,
Chief Administrative Law Judge.

[FR Doc. 06-5435 Filed 6-14-06; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-588-856, A-580-846, A-469-810]

Stainless Steel Angle From Japan, the Republic of Korea, and Spain: Final Results of Sunset Reviews and Revocation of Orders

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: On April 3, 2006, the Department of Commerce (Department) initiated the sunset reviews of the antidumping duty orders on stainless steel angle from Japan, the Republic of Korea (Korea), and Spain (71 FR 16551). Because the domestic interested parties did not participate in these sunset reviews, the Department is revoking these antidumping duty orders.

EFFECTIVE DATE: May 18, 2006.

FOR FURTHER INFORMATION CONTACT: Jill Pollack or Brandon Farlander, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-4593 or (202) 482-0182, respectively.

SUPPLEMENTARY INFORMATION:

Background

On May 18, 2001, the Department issued antidumping duty orders on stainless steel angle from Japan, Korea, and Spain (66 FR 27628). On April 3, 2006, the Department initiated sunset reviews of these orders. See *Initiation of Five-year (Sunset) Reviews*, 71 FR 16551 (Apr. 3, 2006).

We did not receive a notice of intent to participate from domestic interested parties in any of these sunset reviews by the deadline date. As a result, in accordance with 19 CFR 351.218(d)(1)(iii)(A), the Department determined that no domestic interested party intends to participate in the sunset reviews, and on April 24, 2006, we notified the International Trade Commission, in writing, that we intended to issue final determinations revoking these antidumping duty orders. See 19 CFR 351.218(d)(1)(iii)(B)(2).

Scope of the Orders

For purposes of these orders, the term “stainless steel angle” includes hot-rolled, whether or not annealed or descaled, stainless steel products of equal leg length angled at 90 degrees, that are not otherwise advanced. The stainless steel angle subject to these orders is currently classifiable under subheadings 7222.40.30.20 and 7222.40.30.60 of the Harmonized Tariff Schedule of the United States (HTSUS). Specifically excluded from the scope of these orders is stainless steel angle of unequal leg length. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of these orders is dispositive.

Determination to Revoke

Pursuant to section 751(c)(3)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.218(d)(1)(iii)(B)(3), if no domestic interested party files a notice of intent to participate, the Department shall, within 90 days after the initiation of the review, issue a final determination revoking the order. Because the domestic interested parties did not file a notice of intent to participate in these sunset reviews, the Department finds that no domestic interested party is participating in these sunset reviews. Therefore, consistent with 19 CFR 351.222(i)(1)(i) and section 751(c)(3) of the Act, we are revoking these antidumping duty orders. The effective date of revocation is May 18, 2006, the fifth anniversary of the date the Department published these antidumping duty orders. See 19 CFR 351.222(i)(2)(i).

Effective Date of Revocation

Pursuant to section 751(c)(3)(A) of the Act and 19 CFR 351.222(i)(2)(i), the Department will instruct U.S. Customs and Border Protection to terminate the suspension of liquidation of the merchandise subject to these orders entered, or withdrawn from warehouse, on or after May 18, 2006. Entries of

subject merchandise prior to the effective date of revocation will continue to be subject to suspension of liquidation and antidumping duty deposit requirements. The Department will complete any pending administrative reviews of these orders and will conduct administrative reviews of subject merchandise entered prior to the effective date of revocation in response to appropriately filed requests for review.

These five-year (sunset) reviews and notice are in accordance with sections 751(c) and 777(i)(1) of the Act.

Dated: June 9, 2006.

David M. Spooner,
Assistant Secretary for Import Administration.

[FR Doc. E6-9367 Filed 6-14-06; 8:45 am]
BILLING CODE 3510-DS-S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-428-830]

Notice of Extension of Final Results of Antidumping Duty Administrative Review: Stainless Steel Bar from Germany

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: June 15, 2006.

FOR FURTHER INFORMATION CONTACT: Brandon Farlander or Natalie Kempkey, at (202) 482-0182 or (202) 482-1698, respectively; AD/CVD Operations, Office 1, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street & Constitution Avenue, NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

On February 3, 2006, the Department of Commerce (“the Department”) published the preliminary results of the administrative review of the antidumping order on stainless steel bar from Germany for the period March 1, 2004, through February 28, 2005 (See *Stainless Steel Bar from Germany: Preliminary Results of Antidumping Administrative Review*, 71 FR 5811 (February 3, 2006) (“Preliminary Results”)). On May 11, 2006, the Department published its first extension of the time limit for the final results of this administrative review (See *Notice of Extension of Final Results of Antidumping Duty Administrative Review: Stainless Steel Bar from Germany*, 71 FR 27465 (May 11, 2006)).